FISHER CAPESPAN USA
LLC

21 September, 2005

Docket Clerk
Marketing Order Administration Branch
Fruit and Vegetable Programs
AMS, USDA
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Washington, DC 20250-0237

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RE: Docket No. FV03-925-1PR
Federal Register Vol.70, No. 100, Page 30001
Grapes Grown in a Designated Area of Southeastern California and Imported Table Grapes; Proposed Change in Regulatory Period
COMMENTS IN OPPOSITION TO PROPOSED CHANGE

Dear Docket Clerk:

Fisher Capespan USA LLC opposes the above referenced change in the dates that Table Grape Marketing Order 925 ("Marketing Order") restrictions will be place on table grapes supplied from Chile.

Fisher Capespan is an importer and distributor of fresh fruit including table grapes from Chile, South Africa, Peru and Brazil as well as a host of other deciduous and citrus products from numerous countries. We have been engaged in the business of importing and distributing table grapes for over twenty-five years.

Fisher Capespan fully concurs with the detailed comments and supporting data submitted by ASOEX, the Chilean Exporters Association in respect of this matter. Specifically, Fisher Capespan urges the agency to reject the proposed change in the regulatory period because:

Member of the Capespan Group

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1. There is no credible evidence in the proposed rule that suggests that late season Chilean table grapes interfere in any material way with the first volumes of table grapes produced in Mexico or the Coachella Valley. The impact of changing the effective date of the Marketing Order from April 20 to April 1 will have a direct negative impact on our business (as well as those of our competitors). Such a change would inevitably result in the decline of table grape imports from Chile and therefor cause a general decrease in the level of our business. It will also prevent us from servicing our clients (US supermarkets, grocery stores and wholesalers) with the products they rely on us to supply. However, no credible evidence has been presented that shows in any compelling way that this negative impact will create any tangible countervailing benefit to the table grape producers of California.

2. The proposed rule does not contain tangible evidence of circumvention of the Marketing Order by Chilean table grapes to warrant the proposed change. Like all imported grape distributors, we seek to obtain the best value for our products so as to return the highest prices to the producers in Chile who rely on us to distribute them. To do so, we manage the rate of sale of our Chilean products to ensure that we have cleared our Chilean stocks before the first volumes of the same products are available from Mexico and Coachella. With Chilean table grapes arriving in North America with onerous freight and logistical costs associated with them (costs that domestic producers do not incur), it is not usually in our interest to hold Chilean table grapes to try to compete in the market with the fresher Mexican or domestic products. Stated otherwise, market forces are sufficient to regulate the activities that the California grape growers seek to regulate through this proposed rule.

3. Table grapes are a permanent feature of all supermarkets and grocery stores twelve months a year. If the effective date of the Marketing Order is changed from April 20 to April 1, we would foresee a shortage of table grapes in late April through May, until Mexican and Coachella grapes come into the market in strong volumes. The result of this may well be an even stronger incentive for Chilean exporters and their US importers to bring the same volume of fruit in as would otherwise arrive (just earlier) and store the product for distribution through April and into May. This could have a deleterious impact on the condition of grapes that are in the market for the three weeks prior to the start of the Mexican and Coachella harvests.

Respectfully submitted

Marc J. Solomon
President

MJS:mg